

JS-6

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

EL CAPITAN ADVISORS, INC., et al.,

Defendants.

No. 2:25-cv-05066-JAK (Ex)

**FINAL JUDGMENT AS TO
ANDREW NASH**

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Andrew Nash (“Defendant”) having entered a general appearance; consented
3 to the Court’s jurisdiction over Defendant and the subject matter of this action;
4 consented to entry of this Final Judgment without admitting or denying the allegations of
5 the Complaint (except as to jurisdiction and except as otherwise provided herein in
6 paragraph V.); waived findings of fact and conclusions of law; and waived any right to
7 appeal from this Judgment:

8 **I.**

9 IT IS ORDERED AND ADJUDGED that Defendant is permanently restrained
10 and enjoined from violating, while acting as an investment adviser, Sections 206(1) and
11 (2) of the Investment Advisers Act of 1940 (the “Investment Advisers Act”) [15 U.S.C. §
12 80b-6(1) and (2)] by using the mails or any means or instrumentality of interstate
13 commerce, directly or indirectly:

14 (a) to employ any device, scheme, or artifice to defraud any client or prospective
15 client; or
16 (b) to engage in any transaction, practice, or course of business which operates
17 as a fraud or deceit upon any client or prospective client
18 by, directly or indirectly, (i) creating a false appearance or otherwise deceiving any client
19 or prospective client, or (ii) disseminating false or misleading documents, materials, or
20 information or making, either orally or in writing, any false or misleading statement in
21 any communication with any client or prospective client, about:

- 22 (A) any investment strategy or investment in securities,
23 (B) the prospects for success of any product or company,
24 (C) the use of client funds,
25 (D) compensation to any person,
26 (E) Defendant’s qualifications to advise clients; or
27 (F) the misappropriation of client funds or investment proceeds.

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
2 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the
3 following who receive actual notice of this Final Judgment by personal service or
4 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b)
5 other persons in active concert or participation with Defendant or with anyone described
6 in (a).

7 **II.**

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is
9 permanently restrained and enjoined from violating, directly or indirectly, Section 207 of
10 the Advisers Act, 15 U.S.C. § 80b-7, by using the mails or any means or instrumentality
11 of interstate commerce, to willfully make any untrue statement of a material fact in any
12 registration application or report filed with the Commission under Sections 203 or 204 of
13 the Advisers Act, or willfully omit to state in any such application or report any material
14 fact which is required to be stated therein.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
16 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the
17 following who receive actual notice of this Judgment by personal service or otherwise:
18 (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other
19 persons in active concert or participation with Defendant or with anyone described in (a).

20 **III.**

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
22 Defendant is liable for disgorgement of \$4,600,000.00, representing net profits gained
23 as a result of the conduct alleged in the Complaint, together with prejudgment interest
24 thereon in the amount of \$791,153.48, and a civil penalty in the amount of
25 \$3,456,942.00 pursuant to Section 209(e) of the Advisers Act 5 U.S.C. § 80b-9(e).
26 Defendant shall satisfy this obligation by paying \$8,848,095.48 to the Securities and
27 Exchange Commission within 30 days after entry of this Final Judgment.

1 Defendant may transmit payment electronically to the Commission, which will
2 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be
3 made directly from a bank account via Pay.gov through the SEC website at
4 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check,
5 bank cashier's check, or United States postal money order payable to the Securities and
6 Exchange Commission, which shall be delivered or mailed to

7 Enterprise Services Center

8 Accounts Receivable Branch

9 6500 South MacArthur Boulevard

10 Oklahoma City, OK 73169

11 and shall be accompanied by a letter identifying the case title, civil action number, and
12 name of this Court; Andrew Nash as a defendant in this action; and specifying that
13 payment is made pursuant to this Final Judgment.

14 Defendant shall simultaneously transmit photocopies of evidence of payment and
15 case identifying information to the Commission's counsel in this action. By making
16 those payments, Defendant relinquishes all legal and equitable right, title, and interest in
17 such funds and no part of the funds shall be returned to Defendant.

18 The Commission may enforce the Court's judgment for disgorgement and
19 prejudgment interest by using all collection procedures authorized by law, including, but
20 not limited to, moving for civil contempt at any time after 30 days following entry of this
21 Final Judgment.

22 The Commission may enforce the Court's judgment for penalties by the use of all
23 collection procedures authorized by law, including the Federal Debt Collection
24 Procedures Act, 28 U.S.C. § 3001 et seq., and moving for civil contempt for the
25 violation of any Court orders issued in this action. Defendant shall pay post judgment
26 interest on any amounts due after 30 days of the entry of this Final Judgment pursuant to
27 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest and
28

1 income earned thereon (collectively, the “Fund”), pending further order of the Court.

2 The Commission may propose a plan to distribute the Fund subject to the Court’s
3 approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair
4 Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall
5 retain jurisdiction over the administration of any distribution of the Fund and the Fund
6 may only be disbursed pursuant to an Order of the Court.

7 Regardless of whether any such Fair Fund distribution is made, amounts ordered
8 to be paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to
9 the government for all purposes, including all tax purposes. To preserve the deterrent
10 effect of the civil penalty, Defendant shall not, after offset or reduction of any award of
11 compensatory damages in any Related Investor Action based on Defendant’s payment of
12 disgorgement in this action, argue that he is entitled to, nor shall he further benefit by,
13 offset or reduction of such compensatory damages award by the amount of any part of
14 Defendant’s payment of a civil penalty in this action (“Penalty Offset”). If the court in
15 any Related Investor Action grants such a Penalty Offset, Defendant shall, within 30
16 days after entry of a final order granting the Penalty Offset, notify the Commission’s
17 counsel in this action and pay the amount of the Penalty Offset to the United States
18 Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be
19 deemed an additional civil penalty and shall not be deemed to change the amount of the
20 civil penalty imposed in this Judgment. For purposes of this paragraph, a “Related
21 Investor Action” means a private damages action brought against Defendant by or on
22 behalf of one or more investors based on substantially the same facts as alleged in the
23 Complaint in this action.

24 **IV.**

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
26 incorporated herein with the same force and effect as if fully set forth herein, and that
27 Defendant shall comply with all of the undertakings and agreements set forth therein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

VI.


IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Judgment.

VII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and without further notice.

IT IS SO ORDERED.

Dated: 6/11/25



John A. Kronstadt
United States District Judge